

Message Text

LIMITED OFFICIAL USE

PAGE 01 JAKART 04083 060052 Z

66/53

ACTION EA-14

INFO OCT-01 EUR-25 NEA-10 IO-12 ADP-00 AID-20 SNM-02

BNDE-00 PA-03 PRS-01 USIA-12 SY-07 JUSE-00 TRSE-00

OMB-01 CIAE-00 INR-10 NSAE-00 RSC-01 RSR-01 /120 W
----- 122851

R 050839 Z APR 73 ZDK
FM AMEMBASSY JAKARTA
TO SECSTATE WASHDC 6348
AMEMBASSY COLOMBO
INFO AMEMBASSY NEW DELHI
AMEMBASSY KABUL
AMEMBASSY LONDON
AMEMBASSY RANGOON
AMEMBASSY PHNOM PENH
AMEMBASSY WELLINGTON
AMEMBASSY CANBERRA
AMEMBASSY OTTAWA
AMEMBASSY TEHRAN
AMEMBASSY BANGKOK
AMEMBASSY SEOUL
AMEMBASSY VIENTIANE
AMEMBASSY KUALA LUMPUR
AMEMBASSY KATHMANDU
AMEMBASSY SAIGON
AMEMBASSY ISLAMABAD
AMEMBASSY MANILA
AMEMBASSY TOKYO
AMEMBASSY ROME
USMISSION USUN NY
USMISSION GENEVA

LIMITED OFFICIAL USE JAKARTA 4083

C O R R E C T E D C O P Y

E. O. 11652 N/A

TAGS: SNAR, ID

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 JAKART 04083 060052 Z

SUBJ: DRUG ABUSE ADVISER FOR COLOMBO PLAN

REF: A) STATE 61066 B) COLOMBO 71

1. REF B, PARA 2. INDONESIAN FONOFF INSTRUCTED AMBASSADOR SOEKIRMAN BY TELEGRAM MARCH 26 THAT INDONESIAN CANDIDATE FOR ADVISER POSITION IS POLICE COLONEL DARMAJUMAN. WE HAVE TOLD FONOFF THAT WE WOULD PROBABLY SUPPORT A QUALIFIED INDONESIAN. AUSTRALIANS DID SAME.

2. TOP OFFICIALS OF INDONESIAN ANTI- NARCOTICS EFFORT INTRODUCED DARMAJUMAN TO POLITICAL COUNSELOR, WHO LATER ENTERTAINED HIM AT LUNCHEON WITH HIGHLY- RESPECTED NARCOTICS EXPERT POLICE COLONEL SIBRANI. SIBARANI, WHO IS ALSO DIRECTOR OF NATIONAL CRIME LABORATORY, WOULD BE A BETTER CANDIDATE BUT IS NOT AVAILABLE. HE INDICATES DARMAJUMAN IS MOST QUALIFIED AVAILABLE INDONESIAN CANDIDATE.

3. EXPORTS CRUDE OIL, AND IS PRESENTLY CONSIDERING TWO MAJOR LNG PROJECTS. SINCE ITS VERY LOW- SULFUR CRUDE IS A VALUED LOW- POLLUTANT FUEL, INTEREST IN INCREASING INDONESIA'S PRESENT SMALL SHARE OF US OIL IMPORTS MAY GROW SIGNIFICANTLY. ITS POLICIES ARE LIKELY TO INFLUENCE THE DEVELOPMENT OF OIL INDUSTRIES IN OTHER SE ASIA COUNTRIES AS A RESULT OF THE SUCCESS OF THE PRODUCTION- SHARING APPROACH PIONEERED BY PERTAMINA, THE STATE- OWNED OIL COMPANY.

3. EXPLORATION AND DEVELOPMENT EXPENDITURES HAVE INCREASED DRAMATICALLY IN THE LAST FEW YEARS FROM \$45.5 MILLION IN 1968 TO AN ESTIMATED \$250 MILLION PLUS IN 1973. THE HIGH LEVEL OF EXPLORATION EXPENDITURES UNDOUBEDLY WILL RESULT IN THE DISCOVERY OF NEW ENERGY SOURCES. PRODUCTION HAS ALSO INCREASED FROM A RATE OF 510 THOUSAND BARRELS PER DAY (B/ D) IN 1967, TO AN EXPECTED AVERAGE OF 1.4 MILLION B/ D IN 1973. IN 1972 INDONESIA CONSUMED ABOUT 20 PERCENT OF ITS TOTAL PRODUCTION. OF THE BALANCE, CRUDE OIL EXPORTS WENT TO JAPAN (70 PERCENT), THE UNITED STATES (20 PERCENT, TRINIDAD (6 PERCENT); AND OTHERS (4 PERCENT). INDONESIA ALSO MADE LIMITED EXPORTS OF REFINED PRODUCTS (OVER 46 MILLION LINS) WITH ALMOST 90 PERCENT GOING TO JAPAN.

4. APART FROM THE IMPORTANCE OF INDONESIA BEING A POTENTIALLY IMPORTANT SOURCE OF ENERGY IN THE FUTURE AS WELL AS AN EXISTING SOURCE OF US IMPORTS (ABOUT 160,000 B/ D IN 1972), THE US HAS SUBSTANTIAL COMMERCIAL INTERESTS IN THE DEVELOPMENT OF THE PETROLEUM SECTOR. PRESENTLY THERE ARE ABOUT 30 US OIL COMPANIES INVOLVED IN INDONESIA, INCLUDING CALTEX WHICH ACCOUNTED FOR ABOUT 80 PERCENT OF TOTAL INDONESIAN CRUDE OIL PRODUCTION IN 1971. OTHER US PRODUCERS ARE STANVAC, UNION, ARCO, IAPCO AND TESORO. TWO OTHER US COMPANIES, CITICORP SERVICE AND TREND

EXPLORATION WILL PROBABLY BEGIN PRODUCTION WITHIN THE NEXT
12 MONTHS. THERE ARE ALSO TWO US COMPANIES, MOBIL AND
HUFFINGTON CO., THAT ARE DEVELOPING PLANS FOR MAJOR LNG
PROJECTS ALL THESE COMPANIES RELY HEAVILY ON UUS GOODS AND
SERVICES AS WELL AS ON US SERVICE AND SUBCONTRACTING COMPANIES
(OVER 50 ARE NOW REGISTERED TO OPERATE IN INDONESIA AND MANY
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 JAKARTA 04062 060033 Z

OTHERS ARE INVOLVED ON A CONTRACT BASIS). APART FROM THE
IMPORTANCE OF THESE COMPANIES' OPERATIONS AS A VEHICLE TO EX-
PAND US EXPORTS, IT IS ESTIMATED THAT US COMPANIES HAVE ALREADY
INVESTED OVER ONE BILLION DOLLARS IN THE GOI SECTOR IN INDONESIA
AND ARE PREPARING TO INVEST SEVERAL HUNDRES OF MILLION DOLLARS MORE.

5. IN SUMMARY, THE IMPLICATION OF US ENERGY POLICY ARE GREAT
FOR INDONESIA WHICH IS A SIZEABLE MARKET FOR US EXPORTS, IN-
VESTMENT AND SERVICES, AN IMPORTANT POTENTIAL SOURCE OF NEW
ENERGY AND THE PRESENT SOURCE OF US CRUDE OIL IMPORTS. THE
IMPLICATIONS TAKE ON ADDED SIGNIFICANCE SINCE I
E E E E E E E

*** Current Handling Restrictions *** n/a

*** Current Classification *** LIMITED OFFICIAL USE

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts:
Control Number: n/a
Copy: SINGLE
Draft Date: 05 APR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: boyleja
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973JAKART04083
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: n/a
From: JAKARTA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730435/aaaahshq.tel
Line Count: 139
Locator: TEXT ON-LINE
Office: ACTION E
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 73 STATE 61066, 73 COLOMBO 71
Review Action: RELEASED, APPROVED
Review Authority: boyleja
Review Comment: n/a
Review Content Flags: ANOMALY
Review Date: 02 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02-Aug-2001 by reddocgw>; APPROVED <15-Aug-2001 by boyleja>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> gwr 971202
Subject: DRUG ABUSE ADVISER FOR COLOMBO PLAN
TAGS: SNAR, ID
To: COLOMBO
EA
KABUL
LONDON
NEW DELHI
PHNOM PENH
RANGOON

SECSTATE WASHDC
WELLINGTON

Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005